

ESCALATING CONFLICT IN THE MIDDLE EAST, OIL SHOCK WEIGH DOWN ON MARKETS

Weekly Review: 2–6 March 2026

What Happened Last Week

- US bond and equity prices fell as oil-driven inflation fears and Middle East tensions triggered market selloff.
 - Brent crude surged above \$80 a barrel after escalation in the US-Israel-Iran conflict.
- Local bonds declined after BSP Governor Eli Remolona noted that the policy rate may increase to help manage rising inflation. Equities also fell alongside regional markets amid escalating Middle East tensions.
- Philippine peso weakened following rising oil prices and geopolitical tensions in the Middle East.
- Asset prices Week-on-Week (WoW) and Year-to-Date (YTD)

Asset	Week-on-Week	YTD	Current Level
	Feb 27 – Mar 6, 2026	as of Mar 6, 2026	as of Mar 6, 2026
	Rate Change		Rate
10Yr US Treasury Yield	▲0.20%	▼0.03%	4.14%
10Yr PHP Benchmark Yield	▲0.39%	▲0.25%	6.32%
	Price Change		Price
Philippine Peso vs. US Dollar	▼2.32%	▲0.36%	PHP 59.00/USD
S&P500	▼2.02%	▼1.54%	6,740.02
PCOMP	▼4.40%	▲4.42%	6,320.41

What To Expect This Week

- Market sentiment will hinge on developments in the U.S.–Israel–Iran conflict and rising energy prices, while also keeping an eye on upcoming U.S. inflation data and the FOMC meeting.

